

Message Text

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ACTION EUR-12

INFO OCT-01 IO-10 ISO-00 AGR-05 FEAE-00 CIAE-00 COME-00

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INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

USMISSION EC BRUSSELS

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USMISSION OECD PARIS

USMISSION GENEVA

AMCONSUL BELFAST

AMCONSUL EDINBURGH

AMCONSUL LIVERPOOL

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PASS LABOR AND TREASURY

E.O. 11652: N/A

TAGS: ELAB, UK, PINT

SUBJECT: THE NUM REACHES AGREEMENT WITH THE COAL BOARD
AND WILL RECOMMEND RATIFICATION/BY PIT BALLOT

REF: LONDON 1943

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1. BEGIN SUMMARY - THE NATIONAL UNION OF MINEWORKERS (NUM AND THE NATIONAL COAL BOARD (NCB) REACHED AGREEMENT TODAY (FEBRUARY 13) ON A WAGE PACKET WHICH THE NUM EXECUTIVE VOTED 16 (LARGELY MODERATE MEMBERS) AGAINST 11 (LARGELY LEFT-WINGERS) TO RECOMMEND FAVORABLY TO THE MINERS FOR RATIFICATION IN A PIT BALLOT. THE ESTIMATED 190 MILLION POUNDS PER YEAR DEAL WILL RAISE BASIC RATES TO A RANGE OF FROM 41 POUNDS TO 61 POUNDS, AMONG OTHER BENEFITS. HOWEVER, THE AGREEMENT, WHEN RATIFIED, WILL BE CLEARLY OUTSIDE THE SOCIAL CONTRACT SINCE, FOR ONE THING, THE NEW RATES WILL MORE THAN COMPENSATE FOR PAST INCREASES IN THE COST OF LIVING. IT ALSO RUNS COUNTER TO THE GOVERNMENT'S EFFORTS TO DAMPEN DOWN EXCESSIVE WAGE SETTLEMENTS. END SUMMARY

2. THE NEW RATES WILL BE 61 POUNDS A WEEK FOR FACE WORKERS (AN INCREASE OF 11.60 POUNDS) AND OTHER UNDERGROUND WORKERS WILL BE PAID ON A SCALE RANGING FROM 47 POUNDS TO 54.50 POUNDS A WEEK (INCREASES FROM 6.60 POUNDS TO 9.98 POUNDS) WHILE SURFACE WORKERS WILL GET RATES RANGING FROM 41 POUNDS TO 50.25 POUNDS A WEEK. THE ACCORD CAME AFTER SEVERAL NEGOTIATING SESSIONS EACH OF WHICH, IN THE WORDS OF AN NCB OFFICIAL, "INCHED" CLOSER TO THE NUM DEMANDS (REFTEL) - AND ALSO AFTER MODERATES ON THE NUM EXECUTIVE HAD THEMSELVES THROWN BACK A LEFT-WING EFFORT TO ESCALATE THE NUM DEMANDS EVEN FURTHER.

3. COMMENT: IF, AS IS NOW EXPECTED, THE MINERS RATIFY THE ACCORD, IT WILL CERTAINLY BE A RELIEF TO THE COAL BOARD, WHICH CANTHEN LOOK FORWARD TO UNINTERRUPTED OUTPUT. IT WILL ALSO PROVIDE SATISFACTION TO MOST MINERS BY RETURNING THEM TO THE FOREFRONT OF THE WAGE EARNERS' LEAGUE. BUT IN ANOTHER SENSE, THE SETTLEMENT WILL SERIOUSLY AFFECT THE GOVERNMENT'S EFFORTS TO "DAMPEN DOWN" WHAT THE CHANCELLOR OF THE EXCHEQUER HAS CALLED "EXCESSIVE WAGE SETTLEMENTS..'. IN FACT, THE NEW GENERAL SECRETARY OF THE NATIONAL UNION OF RAILWAYMEN, SIDNEY WEIGHHELL, WHOSE UNION IS SHORTLY JOINING OTHER RAILWAY UNIONS TO NEGOTIATE AN ANNUAL GENERAL WAGE INCREASE WITH BRITISH RAIL, HAS MADE IT CLEAR THAT HIS LIMITED OFFICIAL USE

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UNION WILL NOT STAND BY IDLY IF THE NUM AGREEMENT SOARS ABOVE THE SOCIAL CONTRACT GUIDELINES (WHICH IT HAS), PARTICULARLY FOR OTHER WORKERS THAN THOSE ACTUALLY DIGGING COAL.

4. THE SITUATION IS MADE EVEN MORE COMPLICATED BY THE FACT THAT THE TUC ECONOMIC COMMITTEE, WHICH MET YESTERDAY (FEBRUARY 12) REJECTED A PROPOSAL BY ITS SECRETARIAT

WHICH WOULD IN EFFECT HAVE URGED CERTAIN SPECIFIC RESTRICTIONS ON WAGE CLAIMS. CHANCELLOR HEALEY HAS BEEN VERY OUTSPOKEN ABOUT THE DANGER OF EXCESSIVE SETTLEMENTS TO THE ECONOMY. THE TUC FAILURE THUS FAR TO HELP PREVENT THEM PLUS THE "SUPER-CONTRACT" SETTLEMENT BY THE MINERS WILL LIKELY ENCOURAGE MR. HEALEY TO CARRY OUT HIS THREAT TO FASHION A TOUGHER BUDGET THIS SPRING.

SPIERS

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